



Federal Aid in Sport Fish and Wildlife Restoration Programs Restrict the State's Use of Hunting and Fishing License Funds

ENVIRONMENTAL QUALITY
COUNCIL 2017-18

State Hunting and Fishing License Dollars

March 21, 2018

Exhibit 5

Montana Fish, Wildlife & Parks' budget includes approximately \$60 million dollars each year of revenue from the sale of hunting and fishing licenses. This amount represents almost 60 percent of the department's total annual budget of approximately \$99 million.

Although license money is considered state revenue, its use is strictly limited to that of administering the state's fish and wildlife agency. This unusual restriction results from state and federal laws passed as early as 1937, requiring that to receive certain federal monies from the USFWS, Montana agreed to only use its state hunting and fishing license revenues for fisheries and wildlife management in accordance with federal law as defined in 50 CFR Part 80. This "Assent Legislation" can be found in MCA 87-1-701 & 708.

If a State fish & wildlife agency uses (or is compelled to use) license revenues for purposes other than administration of its fish or wildlife management programs, or if control of these funds is taken from the agency, the U.S. Fish and Wildlife Service will determine that a "diversion" of state license funds has occurred. The penalty for diversion is severe: all Federal Aid in Sport Fish and Wildlife Restoration funding can be withheld from Montana until the diversion condition has been corrected.

These restrictions on the use of license dollars apply to: all hunting, fishing, and conservation license dollars; interest earnings from license revenues; federal grant reimbursements from the USFWS, lands and other assets acquired with license dollars; and other revenues listed in federal rules (50 CFR 80.20).

Federal Aid Programs

Federal funding from the USFWS for fisheries and wildlife management has been a crucial source of revenue for 50-60 years. Montana has received over \$487 million in Federal funds; \$269 million for wildlife since 1939, \$203 million for fisheries since 1952, and \$15.1 million for species of greatest conservation need since 2002.

The department currently receives approximately \$28 million each year in grants from Wildlife Restoration, Sport Fish Restoration, and State Wildlife Grant program funds, representing approximately 30 percent of total operating budget for the Wildlife and Fisheries Divisions. These funds are used for fisheries and wildlife management, research, habitat protection, operations, access, and education programs, as well as for construction projects. At least 25% of the cost of each project must come from license dollars or from other non-federal funds.

Examples of ongoing federally funded projects include:

- Fish stocking, stream and lake surveys, fishing access development.
- Boat ramp construction, hatchery rehabilitation, stream restoration.
- Elk, antelope, deer, moose, sheep and goat surveys
- Hunting access acquisition, land acquisition, habitat protection, and WMA establishment.
- Bear, mountain lion, moose, and bighorn sheep research.
- Statewide Hunter Safety and Aquatic Education programs.